

November 3, 2014

Mr. Brandon M. Frey, Esq.
LPSC Executive Counsel
Louisiana Public Service Commission
P.O. Box 91154
Baton Rouge, LA 70821-9154

Via Electronic Mail

In Re: Proposal for solicitation for under \$50K bids from outside consultant to assist Staff in Docket No. U-33411 (Application of Beauregard Electric Cooperative, Inc. for Certification of Public Convenience and Necessity)

Dear Mr. Frey:

I would like to thank you for the opportunity of working again with the Louisiana Public Service Commission ("LPSC" or "the Commission") in the examination and analysis of Beauregard Electric Cooperative, Inc.'s application for Certification of Public Convenience and Necessity for authorization to implement an Advanced Metering System Program. This letter has been prepared to offer a budget for our potential work on this matter.

ACG, if selected, proposes to conduct the following tasks during this engagement:

- Review Company's current application and Commission Orders;
- Analysis of program estimates, rate impacts, cost-benefit evaluations, cost effectiveness tests;
- Draft data requests, review responses, and development of response database;
- Participation in conference calls and meetings;
- Preparation memorandum detailing our analysis and recommendations concerning the Company's estimates of the program costs, rate impacts, and cost-benefit analyses;
- Meet with parties and Commissioners throughout the proceeding as needed;
- Assistance with preparation of Staff Recommendation;
- Attendance at the Business and Executive Session in defense of Staff's Recommendation; and
- Review of proposed applications and notices, and preparation of letters of non-opposition throughout the contract term.

Proposed Budget

ACG charges for its services based on the time devoted to a project in accordance with the hourly rates set forth below. ACG estimates total consulting fees to be \$48,280. Since we are a local firm, we do not anticipate any other direct or travel expenses.

Table 1: Proposed Consulting Hours

	David Dismukes <i>Consulting Economist</i>	Kimberly Dismukes <i>Sr. Research Consultant</i>	Elizabeth Oleks <i>Sr. Research Associate</i>	Greg Upton <i>Research Associate</i>	S. Ash M. Duepre J. McKenna <i>Sr. Research Analysts</i>	John Merrill <i>Research Analyst</i>	<i>Sr. Research Assistant</i>	<i>Technical Assistants</i>	Total Consulting Hours
<u>Cost Category/Subject Matter</u>									
Review Company Application and any Related Letter-Notices During the Four-Year Term	26	16	6	14	66	26	-	8	162
Draft Data Requests; Review Responses and Development of Response Database	6	2	-	4	20	4	2	12	50
Participation in Conference Calls and Meetings Parities and Commissioners	8	6	2	-	6	-	-	-	22
Preparation of Staff Recommendation; Review Letter Applications and Assist Preparation of Letters of Non-Opposition.	24	16	2	4	56	22	2	-	126
Total Hours	64	40	10	22	148	52	4	20	360

Table 2: Proposed Consulting Fees

	David Dismukes		Kimberly Dismukes		Elizabeth Oleks		Greg Upton		S. Ash M. Duepree J. McKenna		John Merrill				Total Consulting Fees
	Consulting Economist		Sr. Research Consultant		Sr. Research Associate		Research Associate		Sr. Research Analysts		Research Analyst		Sr. Research Assistant	Technical Assistants	
Proposed Total Hours:	64		40		10		22		148		52		4	20	
Hourly Rates:	\$225		\$195		\$140		\$120		\$110		\$90		\$70	\$40	
Cost Category/Subject Matter															
Review Company Application and any Related Letter-Notices During the Four-Year Term	\$	5,850	\$	3,120	\$	840	\$	1,680	\$	7,260	\$	2,340	\$	-	\$ 21,410
Draft Data Requests; Review Responses and Development of Response Database	\$	1,350	\$	390	\$	-	\$	480	\$	2,200	\$	360	\$	140	\$ 5,400
Participation in Conference Calls and Meetings Parities and Commissioners	\$	1,800	\$	1,170	\$	280	\$	-	\$	660	\$	-	\$	-	\$ 3,910
Review Company Application and any Related Letter-Notices During the Four-Year Term	\$	5,400	\$	3,120	\$	280	\$	480	\$	6,160	\$	1,980	\$	140	\$ 17,560
Total	\$	14,400	\$	7,800	\$	1,400	\$	2,640	\$	16,280	\$	4,680	\$	280	\$ 48,280

Conclusions

Again, I would like to thank you for the opportunity of working for the Commission. If you have any questions about this proposal, feel free to contact me at (225) 769-2603 or email me at daviddismukes@acadianconsulting.com.

Sincerely,

A handwritten signature in black ink, reading "David E. Dismukes". The signature is fluid and cursive, with the first name "David" being the most prominent.

David E. Dismukes, Ph. D.
Consulting Economist

Cc: Kathleen Richardson